APRIL 29, 1963

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THE NETHERLANDS
—GATEWAY TO EUROPE

DUTCH POULTRY
AND THE EEC MARKET

FOOD FOR EGYPT'S FUTURE

THE UNIVERSITY
OF MICHIGAN
JUN
PERIODICAL
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# FOREIGN AGRICULTURE

## Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

# FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

APRIL 29, 1963

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Egyptian farmer proudly displays his freshly picked strawberries, which will be sold on the streets of Cairo. See article, page 7.

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DEPOSITED BY THE
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# THE NETHERLANDS —gateway to Europe

*This small nation of many people and only a few acres last year was the fifth largest customer for U.S. farm commodities.*

By GEORGE W. COFFMAN
*European Analysis Branch*
*Economic Research Service*

Two hundred years ago, Oliver Goldsmith wrote that Holland is "where the broad ocean leans against the land." As recently as 10 years ago, the ocean leaned with such a vengeance that it went over or through the dikes in 600 places and reclaimed thousands of fertile acres which had been laboriously wrested from it over several centuries. The tenacious Dutch pumped out the lowlands once again and began to restore their decimated herds of fine livestock. They also launched a $653-million Delta Plan which, when completed in about 1980, is intended to control the flow and storage of surplus water and shorten their saltwater coastline by hundreds of miles.

Nearly 2 million acres of productive farmland have been recovered from the lakes, rivers, and the sea in the little country which, even with these accretions, remains only a fourth as large as Illinois. Small as it is, this most densely populated country in Europe is an important agricultural producer and a leading nation in world trade. Milk, meat and eggs account for about three-fourths of Holland's agricultural production and a large part of its exports. Rye, wheat, oats, barley, potatoes, and sugar beets are important also. Specialties are vegetables and bulbs.

## Big transshipment trade

The Netherlands economy has displayed a remarkable resilience since World War II. Industry and agriculture have expanded, and both are operating at a high level of activity. The Port of Rotterdam is the gateway to a vast overseas market in Western and Northern Europe. It is the world's largest transshipment port and second only to the Port of New York in total tonnage.

Take poultry, for instance. In early 1962 some 20,000 pounds of U.S. broilers and turkeys were entering the free port of Rotterdam almost every day. Within a week of arrival, some of this poultry was on display in Dutch shops, some was en route by Rhine River barge to Germany and Switzerland, and some was once more on the high seas, headed either for resale in foreign ports or for consumption aboard the 24,000 ocean-going vessels that make Rotterdam a port of call. (On July 20 the Common Market's new minimum import prices and variable duty fees went into effect on imports from nonmember countries, and these resulted in a sizable reduction of U.S. poultry exports to West Germany and the Netherlands.)

Not only are the Dutch ports the scene of rehandling activity, but so are its processing industries. The country is notable for its role of importer, processor, and exporter of agricultural products. As such, it is highly dependent upon foreign trade, and traditionally therefore has favored a liberal trade policy.

Its tariff approach to farm goods may be summarized as one of little or no duty on raw agricultural commodities, with progressively higher tariffs on processed products. Farm commodities imported for processing and re-export, or for storage and transshipment, usually enter free of duty or restrictions. It is Dutch policy, as well as that of the EEC, to refund any tariffs or levies on products imported for further processing and export.

With processing so vital a part of their agricultural sys-

Photos, courtesy the Netherlands Embassy

*Above, barges transport greenhouse produce. Right top, a typical Dutch farm; below, both horses and tractors work the reclaimed land.*

tem, the Dutch find it necessary to import large quantities of feed grains to be converted into livestock products, some of which are exported. Their principal import from the United States in fiscal year 1962 was $167 million worth of grains and grain preparations.

### Quotas and tariffs

In order to maintain local farm price levels, the Netherlands makes a practice of limiting imports of competitive commodities either by quota or tariff levy. Licenses are required for all agricultural imports, but the licensing policy is liberal except on commodities under quotas.

Quotas are set on live cattle (save for breeding stock), beef, livestock offals, and sugar beets from the Belgium-Luxembourg Economic Union (BLEU). In addition, quota restrictions apply to other countries on horsemeat, chicory roots, hops, castor oil, and industrial and certain other fatty acids.

Common Market regulations supersede Dutch import quotas on commodities or products which are included in the Common Agricultural Policy (CAP) of the Six. CAP regulations, announced July 30, 1962, also supersede national tariffs and levies on wheat, other grains, grain products, live hogs and pork carcasses, poultry and eggs, fruits, and vegetables. The EEC intends that gradually its variable duty fees will be adjusted to a common levy on the products of nonmember countries, with a zero tariff among the Six.

The Netherlands has bilateral trade agreements with 31 other nations (as of November 1962), some of them involving agricultural products. Many were concluded with third countries by the Belgium-Netherlands-Luxembourg (Benelux) Economic Union. Also, it gives preferential tariff treatment to certain tropical products from the Republic of Congo, Surinam, the Netherlands Antilles, Rwanda, Burundi, and New Guinea.

### How controls are employed

Governmental intervention in agriculture is a fact of life in the Netherlands. Controls are adjustable to changing conditions, internal and external, and they are employed with two objectives—to give Dutch farmers an income comparable to that of other workers, and to keep their products competitive in world markets.

The system has met with some success. Whereas prior to the second World War farmers' incomes were no more than 25 to 35 percent of comparable pay in other economic sectors, today the incomes of competent operators on farm units of 17 to 37 acres are roughly the same as those of skilled industrial workers. Farmers earn less on the average of uneconomic units of under 17 acres, more on farms of over 37 acres.

The government seeks to influence production so as to prevent crop surpluses and make farmers face up to actual marketing possibilities. To these ends, prices are supported for specified quantities of sugar beets, and industrial potatoes, but price guarantees are not considered desirable for eggs, slaughter poultry, beef, table potatoes, pulses, flax, and oilseeds.

Guaranteed prices, which are determined annually after consultation with farmers and landowners, are financed by legislative appropriations paid into an Agricultural Equalization Fund. Cost of production is one of several factors influencing their level. Others are their effects upon export markets and consumer cost of living, and the desirability of curtailing output of certain commodities. Feed

grain prices have been increased in relation to wheat, for example, in order to encourage production of the former. Especially is this true of barley.

Import duties are set, tariffs collected, and domestic market regulations determined by citizens' Product or Commodity Boards to which the Netherlands Government delegates certain responsibilities. These boards are set up for most major product groupings with the exception of the sugar and the flax and linen industries. Sponsored and financed by the Ministry of Agriculture but not a part of the Ministry, the boards comprise representatives from sectors interested in producing, processing, and marketing the various products. Their decisions are reviewed by the Ministry. The Food Supply and Sales Bureau is another such nongovernment office with delegated responsibilities. It regulates the market through the purchase and releasing for sale of certain commodities which currently are butter, cheese, skim milk powder, and wheat.

The Netherlands Government spends about $28 million a year on education, research, and advisory work in order to promote agricultural efficiency. Among these programs of indirect aid to farmers are plant and animal disease control, capital loans, land improvement and quality-control programs on export commodities. By helping to set health and quality standards on farm products intended for export, the government maintains strong demand for Dutch produce. Products under inspection-control are seed potatoes, vegetable and flower seeds, nursery stock, fruits, vegetables, dairy products, eggs, poultry, live animals, and meats.

Export subsidies are an integral part of Dutch trading policy and internal agricultural policy. Since livestock and livestock products constitute a large part of total farm exports, export payments on them are paid generally from import duty receipts on grain. Export subsidies are paid on poultry and eggs (except to Common Market countries), on Wiltshire bacon exported to England, butter, milk powder, condensed and evaporated milk, and on cheese exports to certain countries. A subsidy is paid to manufacturers of casein and caseinates to equal the subsidy paid on nonfat dry milk powder for export.

About half of the Dutch farms are operated by tenants. Since the demand for farm property is greater than the supply, the government maintains controls over rents. Land reclamation continues but no longer represents a gain for agriculture, since much of it is used for space on which to build homes, roads and industries. The Delta Plan is expected to recover 25,000 to 38,000 acres. Over a long period, four big polder (lowland reclamation) projects will add another 500,000 acres.

# Dutch Poultrymen See Bigger EEC Market

*Now the second largest poultry supplier to the Community, the Netherlands is trying to rank No. 1—and may very well succeed.*

In 1961 and 1962 the United States was the leading supplier of poultry to the countries that make up the European Economic Community, and the Netherlands, an EEC member, held second place. Today the Netherlands, in view of the protection offered by the EEC's common agricultural policy, anticipates that it will move into first place, and its poultry industry is striving to raise the quality and quantity of its output to meet this challenge.

Currently poultry producers in the Community are protected by a relatively high import levy in addition to a supplemental levy on imports from outside countries. And while the Council of Ministers of the EEC on May 21 is expected to act on a proposal to reduce this barrier, the reduction would amount to only 1.9 cents per pound on broilers and hens. For the U.S. poultryman this would be of help but not enough to permit U.S. poultry exports to continue their phenomenal rise. It may even deny them their lead in this important market.

The Dutch, however, are not the only ones eyeing the Community's poultry market. Both France and Belgium would like to get a good share of it. Yet the Netherlands appears to be in a better position at this time. Its output has gone up tremendously in the last few years. Its industry is more efficient, more modern, and already it has established strong outlets in West Germany, the Community's biggest poultry-buying country.

### Broilers—a new industry

While the Netherlands has been an important producer and exporter of poultry products for many years, its industry until recently concentrated mainly on egg production. The production of poultry meat was principally a by-product resulting from culling hens and cockerels from the pullet flock; in fact, until 1962 the production of meat from old hens exceeded broiler production.

The production of broilers on a large scale is relatively new. A sharp increase in production began in 1956 when output rose to 16,500 metric tons, live-weight basis, from an average of about 10,000 tons per year during the preceeding 3-year period. Each year since then production has continued upward, reaching 54,000 tons in 1961 and only slightly less in 1962. (Duckling production increased even more sharply, rising from 400 tons in 1953 to almost 20,000 tons in 1961.)

This increase in broiler production did not take place at the expense of the laying flock. Rather, it was an added

enterprise, sparked by increased demand, principally in West Germany.

Certainly one factor was the development and adoption of more efficient strains that made broiler production more profitable; for recent feeding tests show a remarkable increase in feed conversion efficiency for some of the newer commercial strains. In 1961 all broilers tested averaged 2.84 pounds after 8 weeks of feeding.

Other production costs have gone down too. In 1959 total costs were estimated at $23.39 per 100 pounds, live weight, and in 1962 they dropped to $20.23.

Poultry keeping is still an enterprise for small farmers on the sandy soils of the eastern and southern provinces of the country, and of the Netherlands' 225,000 farmers, more than two-thirds have flocks. Most flocks are small, averaging about 224 hens per farm; though in recent years the average flock size has tended to increase.

### Exports essential to industry

The Dutch poultry industry last year produced products valued at about $275 million, and for about half of all the eggs produced and two-thirds of the poultry it is dependent on foreign markets. Any event that disrupts or even temporarily disturbs the export market has far-reaching social and economic effects in the country.

If the Dutch ate more poultry there would not be these great surpluses for export. For years poultry was distributed in a very limited number of retail poultry stores and was too high priced to be a popular food. In the last 5 years, however, changes in the marketing system have made poultry more readily available, at lower prices.

With the advent of commercial freezing and freezer display cases, frozen poultry was brought into grocery stores, and last year butcher shops were authorized to sell the frozen product. As a result, frozen poultry can now be bought in the smallest villages. It is still expensive in relation to pork and beef; but the trend in recent years has been toward a lowering of poultry prices and an increase in the price of red meats.

Consumption is rising slowly. In 1962 the Dutch consumed, on a per capita basis, 6.2 pounds of ready-to-cook poultry. (The U.S. consumption figure is 37.3 pounds.) This left 144 million pounds of broilers, hens, and other poultry available for export. But unfortunately, late last year a price was set in. West Germany—where 84 percent of the Dutch broilers and well over 90 percent of other poultry exports go—had stocked heavily in anticipation of the EEC poultry regulations, coming into effect on August 1, 1962. Dutch exports fell sharply, putting about 2 million pounds of extra poultry on the Dutch market and causing local prices to fall about 30 percent. (This may have accounted for some of last year's 1.3-pound rise in Dutch poultry consumption.)

### Meeting competition

The EEC's variable levy on imported grains has raised grain prices above world levels and consequently increased the costs of poultry feeds. But while Dutch feed costs are higher than in the United States, they are still among the lowest in the six Common Market countries.

This high feed cost means higher production costs, and to offset this and make Dutch poultry competitive in importing countries, the cost added on by the grain levy was rebated to exporters until last August when the EEC poultry regulations went into effect. Rebates now are paid only for exports going to countries outside the EEC and on exports to Italy.

To meet competition, the Dutch industry has also made rapid changes in the methods of preparing poultry for export. In 1960 only one-tenth of all broilers exported were fully eviscerated. In 1961 the percentage of ready-to-cook broilers exported had risen to 34 percent, and last year the figure was 71 percent.

The Dutch are very optimistic about the future of their poultry industry. They see the industrialized areas of the Community as their biggest market, but they also realize that the home market is far from saturated. An increase in domestic poultry consumption of 5 pounds per capita, for instance, would mean an annual market for 60 million additional pounds of poultry.

### U.S. poultry transshipped

The Netherlands, of course, is not expected to become an important customer for U.S. poultry, though there is an increasingly larger demand for U.S. turkeys and turkey parts, especially during the holiday seasons. However, the Netherlands does perform a valuable service to the U.S. poultry industry in its transshipment facilities. The port facilities in Rotterdam and Amsterdam, provisions for importation in bond, the proximity of Dutch ports to other areas of Europe, and the wide experience of Dutch traders —all these make the Netherlands a leading distribution point for many types of foreign goods, including U.S. poultry. Besides, large quantities of U.S. poultry are provided by importers for the provision of the many thousand ships that call at these ports, as well as the international airlines.

—WINFIELD KING
*U.S. Agricultural Attaché, The Hague*

COMMON MARKET POULTRY IMPORTS, BY SOURCE, 1960 AND 1961 [1]

| Source | Total EEC | Nether-lands | France | Belg.-Lux. | West Germ. | Italy |
|---|---|---|---|---|---|---|
| *1960* | *1,000 M.T.* | *1,000 M.T.* | *1,000 M.T.* | *1,000 M.T.* | *1,000 M.T.* | *1,000 M.T.* |
| Total imports | 145.9 | 1.0 | 2.1 | 0.1 | 137.9 | 4.7 |
| Supplied by— | | | | | | |
| EEC | 51.2 | .2 | 1.9 | .1 | 49.0 | .1 |
| Netherlands | 48.5 | — | 1.3 | .1 | 47.1 | .1 |
| Belg.-Lux. | 2.2 | — | .6 | — | 1.5 | — |
| France | .3 | — | — | — | .3 | — |
| W. Ger. | .1 | .1 | — | — | — | — |
| Italy | .1 | — | — | — | .1 | — |
| U.S. | 36.7 | 1.0 | — | — | 35.8 | — |
| *1961* | | | | | | |
| Total imports | 193.7 | 1.0 | .8 | .2 | 184.3 | 7.6 |
| Supplied by— | | | | | | |
| EEC | 59.6 | — | .7 | .1 | 58.7 | .1 |
| Netherlands | 55.2 | — | .6 | .1 | 54.3 | .1 |
| Belg.-Lux. | 2.9 | — | — | — | 2.9 | — |
| France | 1.4 | — | — | — | 1.4 | — |
| U.S. | 64.5 | .9 | — | — | 63.5 | .1 |

[1] Figures may not add to totals due to rounding.
Foreign Trade Statistics Analytical Tables—Imports 1960 and 1961 by Statistical Office of the European Communities, Brussels.

Ancient water-lifting device, Giza

# The Food In Egypt's Future

*Can Egypt, after struggling for 3,500 years to raise enough food, solve its problem in the next decade, or is the task too great?*

By HERBERT K. FERGUSON
*U.S. Agricultural Attaché, Cairo*

"Seven years of great plenty are coming for Egypt, but there will be seven years of famine after them and the plenty will be all forgotten in the land of Egypt; famine will consume the land."

Over 3,500 years ago, Pharaoh Ramses the Second viewed the future in his prophetic vision and instructed Joseph to construct a system of grain storage silos forthwith to avert periodic cereal shortages. In 1962, President Gamal Abdel Nasser concurred with his Minister of Supply in proceeding with the construction of a network of grain storage silos, hopefully to alleviate a situation which has remained unsolved for more than 3 millenia.

The present Minister of Supply daily faces issues which would have staggered Joseph. Responsible for the procurement and distribution of food to 27 million Egyptians, Minister Ramzy Stino directs a vast bureaucracy which intervenes in every household, every shipload of imported cereals, every butcher shop, and most grocery stores. Nearly all the commodities which flow from the United States to Egypt under present P.L. 480 agreements are channelled through the organization of this latter-day Joseph. So well does it function that, despite occasional localized distribution problems, Egypt's burgeoning population is now considerably better fed.

Yet is Ramses' premonition of hunger far away?

It loomed dangerously close in recent weeks when the East Coast shipping strike halted virtually all vessels carrying urgently needed wheat and flour to Egypt from the United States. It came near when a disastrous attack of the cotton leaf worm in 1961 ravaged corn and alfalfa fields as well as cotton. It comes near when the Nile ebbs abnormally and rice fields cannot produce a crop. It gets closer as each new infant is included in the population increase of 700,000 annually.

### Too many people

To the Minister of Agriculture, as to others, the increase in population is the main problem confronting Egypt today. In his view, its rate could be reduced by 15 percent through birth control, education, and health measures. But, he adds, since 1952, 4 million people have been added to the population. "The food supply has changed little, but vast numbers of new Egyptians must be fed from resources which are virtually the same," he states.

Population growth left uncurbed would result in a continuing reduction in the standard of living. This is directly counter to the announced goal of President Nasser, who hopes to double the national income in the 10 years ending in 1970. As personal income rises, the average Egyptian spends a disproportionate amount of his increased earnings on food, adding to the disequilibrium already created by the population growth.

The government, which is in effective control of all agricultural production, seeks greater output on several major fronts. One is to increase yields of food crops, and to this

*Left, laborers take a tea-break on farm near Cairo, and street vendor peddling cooked rice. Above, noonday crowds in one of Cairo's narrow lanes. Biggest problem confronting Egypt today is population increase.*

end, extension and demonstration facilities have been completely overhauled and increased by the Ministry of Agriculture. The Egyptian farmer, in spite of his 4,000 years' experience, still has much to learn from modern technology in tilling the Nile Valley. By world standards, his yields of corn, wheat, sorghum, and beans as well as milk and eggs are not impressive. The Japanese far outpace him.

Another more dramatic measure is to increase Egypt's farmlands through irrigation based on the Aswan High Dam. Some 1.5 million acres — now desert — will be farmed as a result, and yields on land now farmed will be increased because of uniformly available water supplies. With an additional 500,000 acres reclaimed in the New Valley and from salt marshes, the 2 million acres will mean a one-third increase in Egypt's tillable land in the early 1970's.

### Help for the fellahin

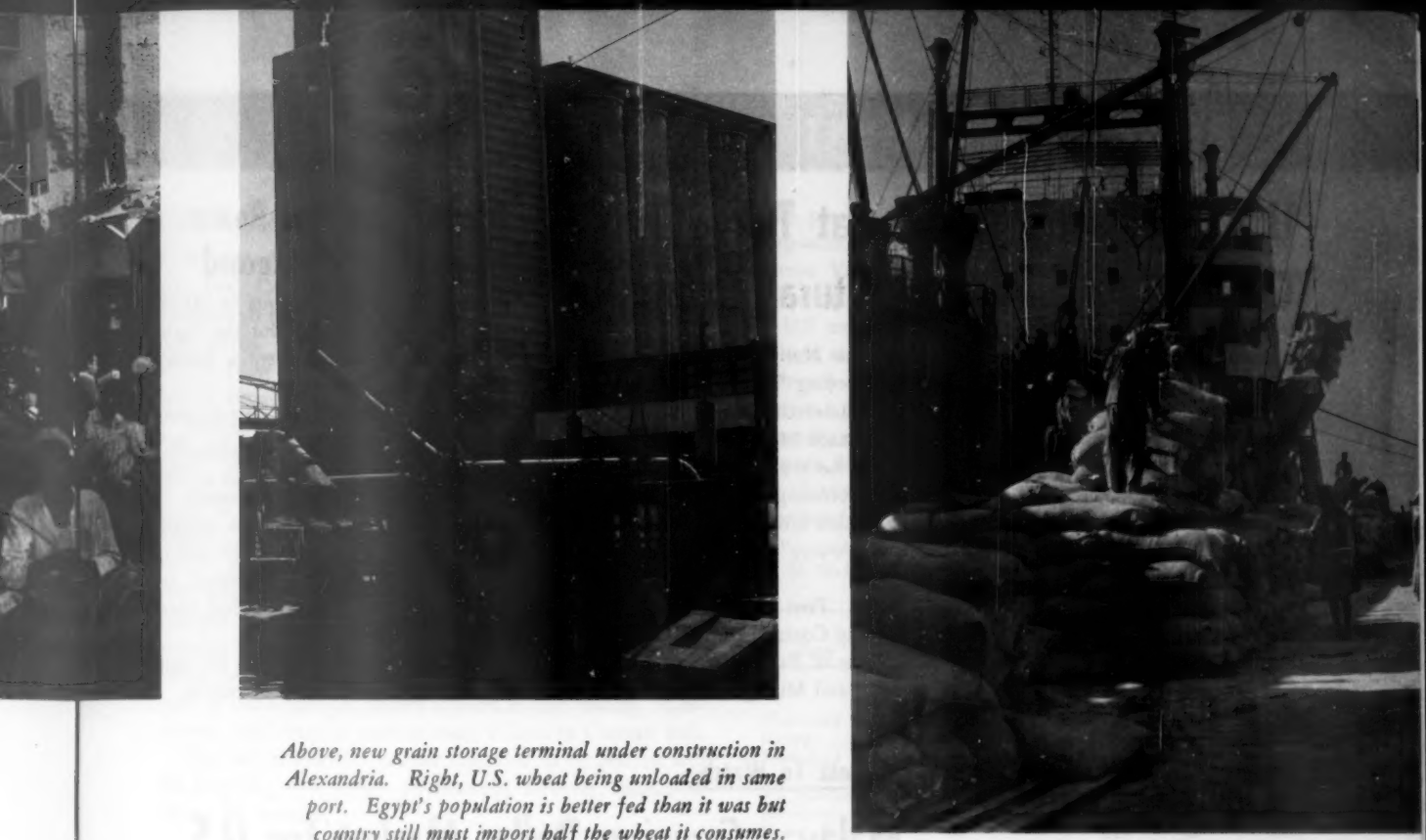
To farm more effectively, the nation's fellahin (farmers) are being urged to become members of rural cooperatives, which number about 3,800. In addition to the facilities of cash credit, seeds, fertilizers, and insecticides, farmers obtain direct supervisory assistance from co-op managers and field men.

Of substantial importance is the innovation of regrouping myriad fragmented farm properties into fields of at least 20 acres. Currently, there are 1.7 million holdings, the average size of which is less than 4 acres. Many range from one-tenth to half an acre. Under this cooperative venture, farmers still retain ownership of their land, but pool their acreages of adjoining properties into big plots devoted to a single crop. Mechanization, better water controls, uniform seeding and harvesting—these all contribute to better land utilization, higher yields, and more income. Basically, this is an attempt to obtain all the advantages of farming on a large scale under the old system of large feudal estates while still retaining the concept of land ownership by numerous small landholders.

Waste, inefficiency, and exploitation in marketing farm crops are evils of long standing in Egypt. Cooperative marketing has begun, with government intervention, for potatoes and onions. Cotton will be next, followed by most other crops. While improved marketing does not increase the food supply, it brings greater returns to farmers who are thereby encouraged to greater productive efforts.

### A fast-paced race

Yet these measures are but a part of the total national drive toward more and better food, with the goal of greater



*Above, new grain storage terminal under construction in Alexandria. Right, U.S. wheat being unloaded in same port. Egypt's population is better fed than it was but country still must import half the wheat it consumes.*

health and prosperity for the entire country; in this drive the development of agriculture is not isolated from the push toward industrialization. To escape from the dismal heritage of servitude that extends backward over countless centuries, Egypt is in a race to achieve in a decade or two a higher standard of living for its people, which has long been denied by ignorance, pestilence, malnutrition, and indifferent governments. The resources of the nation are being strained to the utmost to win this race, but the rate of population increase consumes almost one-half of the 5 to 6 percent annual increase in national income. It has been noted that the per capita availability of productive land in 1962 will not be exceeded in 1972, in spite of the 2 million acres added by that year through reclamation and the High Dam.

Greater and greater dependence upon imports of cereals and livestock products appears certain. Already half of Egypt's wheat consumption is met through imports, the bulk under the United States' P.L. 480 program. The subsidy alone on basic foodstuffs costs the government almost $75 million yearly, and is going up. Yet foreign exchange earnings, mostly from the Suez Canal and from cotton, are noted for fluctuations and must pay for all imported goods.

Were it not for America's bounty, it is difficult to see how the vast and growing Egyptian demands for foodstuffs could be met. Looking further into the future, the day may come when the United States will no longer have such large quantities of surplus basic food products that it will market them on the basis of P.L. 480. One of the largest U.S. supported school lunch programs in the world operates in Egypt, feeding some 3 million youngsters. Other quantities of foods are distributed by U.S. voluntary agencies. These, as well as the millions of tons of wheat, flour, corn, and vegetable oils which are now being received under P.L. 480 Title I, would stop. For the present, however, when the U.A.R. is making strenuous efforts to increase its own food production, the United States is sharing a substantial part of the burden in helping Egypt through this dynamic transitional period.

### The big question

On January 10, 1963, President Nasser in a nation-wide address said: "We have an excess of population. We said, and we still say, this excess of population creates problems for us, but the only solution we have is to work.

"In 1952, during a trip to Kom Ombo, I noticed that the lunch of the citizens and workers consisted only of black bread and an onion. That was the situation which prevailed in the past. We may have succeeded in getting rid of part of it but we have not been able to get rid of all of it."

President Nasser, 35 centuries after Ramses, struggles with a problem which remains to this day. Will it be solved in 5 years, 10 years—or ever?

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*All photographs on pages 7, 8, and 9, as well as the cover photograph, were taken by Mr. Ferguson, the author.*

# U.S. Feedstuffs To Star at Tokyo Trade Center's First All-Agricultural Exhibition

U.S. feedstuffs will be highlighted at the first all-agriculture show at the new Tokyo Trade Center to be held May 20 through June 15. Theme of the feed display and symposium will be the use of U.S. feed grains, tallow, and soybeans in improved livestock feeding.

Principal sponsors are the U.S. Feed Grains Council, the American Soybean Association, the National Renderers Association, and FAS. Over 4,000 invitations have been sent to a select group of Japanese: Feed grain importers and brokers, producer-growers, feed manufacturers and nutritionists, specialists from Japanese universities, and government officials.

At an Animal Feedstuffs Symposium, six prominent feed consultants from the United States will speak on animal nutrition. These technicians—as well as cooperating groups exhibiting—will hold meetings outside the Trade Center with Japanese feed manufacturing associations.

At the feed display, emphasis will be on feeding methods and feed formulation. Sample rations will be shown, along with motion pictures that feature U.S. feed grain exports, production, and processing techniques.

Feed show's speakers and topics:

Ragmar Bergman, President of the National Association of Feed Regulatory Officials . . . "Development and Implementation of Feed Regulatory Laws," and "What Proper Tagging and Labeling Means to the Producer."

D. F. Hayes, Executive Vice President of Britton Co. . . . "Dehydrated Alfalfa in Rations," and "Specifications and Quality Control of Dehydrated Alfalfa."

Dr. Paul E. Sanford, Professor of Animal Nutrition, Kansas State University . . . "Rations for Laying Hens," and "Rations for Broilers."

Dr. V. W. Hays, Professor of Swine Production, Iowa State University . . . "Swine Nutrition" and "The Value of Feeding Trials in Animal Nutrition Research."

Gleason M. Diser, animal nutritionist of Archer-Midland Co. . . . "Proper Processing of Soybean Meal for Optimum Utility in Feeding Livestock and Poultry" and "Beef Cattle Nutrition."

Dr. Fred Dobbins, Director of Quality Control, Quaker Oats Co. . . . "Value of Fat in Rations" and "Handling and Mixing of Fats into Feeds."

## March Food For Peace Shipments Set Record

Food for Peace shipments in March under Title I, P.L. 480 hit the highest monthly peak in the entire history of the 8-year-old program.

A total of 1,417,000 metric tons were shipped in March at an estimated value of $127 million. This was the second consecutive month in which Title I shipments set a record. February exports of 1,366,000 metric tons topped the previous record of 1,350,000 metric tons which had been set in June 1962.

This brings total shipments for July 1962-March 1963 to $715 million.

**Markets To Watch—**

# Malaya—Growing Dollar Market for U.S. Leaf—Seen As No. 1 Cigarette Importer

Malaya's expanding cigarette industry, plus an import preference for U.S. cigarettes, makes the area the fastest growing major dollar market for U.S. tobacco. Valued at $12 million in 1962 — U.S. tobacco exports to the Malay Peninsula at their present rate of increase should reach $18 million by 1964.

Trade prospects appear good for both U.S. leaf and cigarette shipments. Malaya's growing cigarette industry is absorbing increasing quantities of U.S. leaf. Large cigarette factories opened in 1960 in Kuala Lumpur and Singapore depend almost entirely on imports for their leaf supply. Domestic leaf output of about 6 million pounds goes for making pipe tobacco.

Malaya's cigarette production jumped from 3.5 million pounds in 1958 to 30 million 2 years later. In the same period, U.S. leaf exports to Malaya more than doubled. Last year U.S. shipments hit 6.4 million pounds, accounting for about one-third of Malaya's total leaf imports. Other large suppliers to Malaya are Rhodesias-Nyasaland and India.

Though Malaya cut back on total cigarette imports when local production began rising, U.S. cigarette sales to that area have been steadily mounting. In 1962 only France took more U.S. cigarettes than the $6 million worth purchased by Malaya.

If this trend continues, Malaya may become the largest foreign buyer of U.S. cigarettes this year. The forecast is based on Malayan smokers' growing preference for the American cigarettes over the mild English blends which make up the bulk of local production. At the moment, importing U.S. cigarettes appears to be more economical for Malayans than making their own American blends from U.S. leaf.

As long as this situation prevails, Malayans will continue to buy substantial amounts of cigarettes from the United States. Should the factories be able to produce American-type cigarettes at a low-cost, U.S. exports of burley leaf to the Malay Peninsula will probably be accelerated.

## EEC Reduces Levy on Chicken Backs and Necks

Acting on complaints from the United States and others, the EEC Commission has further reduced its gate price (minimum import price) and import levy on chicken backs and necks. Effective April 27, these charges will be reduced from 75 percent of the gate prices and levies on whole broilers and turkeys to 60 percent.

The United States has on several occasions called to the attention of the EEC Commission the fact that its gate prices and levies for chicken backs and necks have been so high as to bar the imports of these items from the United States. The original gate price, set last August, was placed at 125 percent of the gate price and levy for whole chickens and turkeys. The Commission subsequently reduced these charges to 75 percent, but this reduction was still not enough to aid exports of U.S. chicken backs and necks to West Germany. These products had been a very important part of the large U.S. poultry exports to that country. Consumers used them in making soup, a favorite German dish.

It is hoped that this further reduction to 60 percent will be helpful. The proper relationship, however, should be about 35 percent.

## Italian Milk Production Declines

The Italian Dairy Association estimates 1962 total milk production at 23 billion pounds, down slightly from the record production of 1961. The long drought in the summer and early fall which affected pastures and reduced forage supplies accounted for this decline.

The smaller quantity of milk for manufacturing was further reduced by moderate increases in fluid use and also in animal feeding.

Butter production in 1962 is estimated at 154 million pounds, compared with 158 million in 1961. Cheese production was 981 million pounds, down from the record 995 million produced in the earlier year.

## U.S. Tobacco Exports Gain in February

U.S. exports of unmanufactured tobacco in February 1963, at 30.9 million pounds, were up 30 percent over the 23.4 million pounds exported in February 1962. Export value, at $24.2 million, was up 37 percent over the same month of 1962. The export increase reflects the ending of the dock strike which held shipments down in January 1963 to only 6.5 million pounds.

Exports of all major kinds of tobacco, except burley, were larger in February 1963 than in the same month a year ago. Exports of flue-cured were up to 23.6 million, from 19.0 million in February 1962, and Virginia fire-cured exports, at nearly 1.9 million pounds were more than 4 times as large as in February 1962.

For the first 8 months of fiscal 1963, exports of unmanufactured tobacco totaled 335.5 million pounds—down 14.6 percent from the 392.7 million exported in the corresponding period of fiscal 1962. All kinds of tobacco, except Virginia fire-cured, were lower. Flue-cured was down 16.6 percent, and burley 1.3 percent.

U.S. exports of tobacco products in February 1963 were valued at $10.8 million, compared with $9.5 million in February 1962. Cigarette exports at 2,148 million pieces rose 8.4 percent, and smoking tobacco in bulk, at 920,000 pounds, was up 51.6 percent. Because of small January exports, however, the total value of tobacco product exports for January and February 1963 was only $13.4 million, compared with $18.6 million for the first 2 months of 1962.

U. S. EXPORTS OF UNMANUFACTURED TOBACCO

(Export weight)

| Type | February | | January-February | | Percent change |
|---|---|---|---|---|---|
| | 1962 | 1963 | 1962 | 1963 | |
| | *1,000 pounds* | *1,000 pounds* | *1,000 pounds* | *1,000 pounds* | *Percent* |
| Flue-cured | 19,045 | 23,604 | 34,774 | 29,383 | —15.5 |
| Burley | 2,426 | 1,950 | 3,674 | 2,282 | —37.9 |
| Dark-fired Ky.-Tenn. | 504 | 780 | 1,529 | 810 | —47.0 |
| Va. fire-cured [1] | 447 | 1,859 | 804 | 1,924 | +139.3 |
| Maryland | 255 | 433 | 840 | 433 | —48.5 |
| Green River | 66 | — | 213 | — | — |
| One Sucker | 4 | 5 | 20 | 21 | + 5.0 |
| Black Fat, etc. | 335 | 249 | 550 | 269 | —51.1 |
| Cigar wrapper | 207 | 736 | 492 | 779 | +58.3 |
| Cigar binder | 36 | 233 | 69 | 236 | +242.0 |
| Cigar filler | — | 2 | — | 2 | — |
| Other | 391 | 1,075 | 507 | 1,271 | +150.7 |
| Total | 23,716 | 30,926 | 43,472 | 37,410 | —13.9 |
| | *Mil. dol.* | *Mil. dol.* | *Mil. dol.* | *Mil. dol.* | *Percent* |
| Declared value | 17.7 | 24.2 | 32.3 | 30.0 | — 7.1 |

[1] Includes sun-cured.
Bureau of the Census.

U.S. EXPORTS OF TOBACCO PRODUCTS

| Product and value | February | | Jan.-Feb. | | Percent change |
|---|---|---|---|---|---|
| | 1962 | 1963 | 1962 | 1963 | |
| Cigars and cheroots *1,000 pieces* | 1,591 | 3,517 | 2,778 | 4,013 | +44.5 |
| Cigarettes *Million pieces* | 1,982 | 2,148 | 3,843 | 2,729 | —29.0 |
| Chewing and snuff *1,000 pounds* | 65 | 102 | 106 | 103 | — 2.8 |
| Smoking tobacco in pkgs. *1,000 pounds* | 52 | 88 | 94 | 93 | — 1.1 |
| Smoking tobacco in bulk *1,000 pounds* | 607 | 920 | 1,316 | 1,051 | —20.1 |
| Total declared value *Million dollars* | 9.5 | 10.8 | 18.6 | 13.4 | —28.0 |

Bureau of the Census.

## French Cigarette Exports Set New Record

French exports of cigarettes during 1962 were at an all-time high—4.4 million pounds, compared with 3.6 million in 1961 and the 1955-59 annual average of 2.5 million. Exports represented 4 percent of total output, compared with 3.5 percent in 1961.

Cigarette shipments to the Franc Zone countries, as usual, accounted for over four-fifths of total exports. Franc

Zone countries that increased their takings last year included Guinea, Ivory Coast, Dahomey, Senegal, Togo, Cameroun, Guadeloupe, and Martinique. The largest markets in the Franc Zone area are Guinea, Ivory Coast, Republic of Malagasy, Senegal, and Algeria.

Exports to countries outside the Franc Zone were also larger than for the previous year. Shipments rose from 332,000 pounds in 1961 to 604,000 pounds in 1962, with the United Kingdom, Italy, and West Germany accounting for most of the increase.

French *imports* of cigarettes last year totaled 4.3 million pounds—down 10 percent from the 1961 high of 4.8 million. Smaller imports from the United States accounted for most of the decline.

Imports from the United States dropped to 2.5 million pounds from the 1961 high of 3.1 million and were the smallest since 1958. Takings from the United Kingdom and Italy were also down, while imports from West Germany and the Netherlands were up from the previous year.

## Swedes Smoke More Cigarettes

Cigarette sales in Sweden continued to rise in 1962 as consumers purchased 7,498 million pieces (including about 650 million imported), compared with 7,216 million in 1961—a gain of 3.9 percent. The most popular brands—"John Silver," "Ritz," and "Bill"—are American-blended types retailing for the equivalent of about 58 U.S. cents per pack of 20. Together, these three brands accounted for about 75 percent of the market for domestic-made cigarettes. Imported brands, chiefly from the United States, represented about 8.7 percent of total sales.

Sales of other tobacco products in 1962 were as follows, with 1961 data in parentheses: cigars and cigarillos, 214.4 million pieces (208.8 million); smoking tobacco, 3.4 million pounds (3.3 million); snuff 5.6 million pounds (5.7 million); and chewing tobacco, 49,000 pounds (51,000).

Output of cigarettes in Sweden last year amounted to about 7,298 million pieces, compared with 6,480 million in 1961. With indicated sales of about 6,850 million domestic-made cigarettes, it is likely that inventories increased substantially.

The American-blended type accounted for about 82 percent of all cigarettes made in Sweden in 1962—or about 6,035 million pieces. Most of the remainder consisted of the modified oriental type, similar to the American-blended, but containing larger proportions of oriental leaf. Filter-tipped cigarettes represented 16 percent of total output in 1962, compared with 11 percent in 1961.

## Finland's Tobacco Imports Drop in 1962

Finnish imports of unmanufactured tobacco in 1962 totaled 13.9 million pounds—down 13 percent from the 16.0 million imported in 1961. Relatively large stocks at the beginning of 1962 reduced import requirements.

Imports from the United States in 1962, at 8.2 million pounds, accounted for 60 percent of the total. In 1961, purchases from the United States, at 9.4 million, also represented about 60 percent.

Other principal sources of supply in 1962 included: Turkey, 1.7 million pounds; Greece, 1.6 million; Rhodesias-Nyasaland, 1.0 million; and the Soviet Bloc countries, 454,000 pounds.

## Greece Expects Larger Tobacco Crop

Greek tobacco growers expect to plant about 346,000 acres—a record—to oriental-type tobacco in 1963. This compares with 306,000 acres in 1962. The 1962 crop totaled 202 million pounds of marketable leaf, and based on indicated 1963 plantings, this year's production should amount to 210-220 million pounds.

The 1962 acreage forecast reflects a continuation of the government's policy to increase production to meet larger domestic and export demand following the relatively small harvests of 1960 and 1961.

Also, plantings of burley are expected to be substantially larger this year than in 1962. Burley production is being strongly encouraged by the Greek Government. Trial plantings began in 1960, and in 1962 the government gave price guarantees to growers and financed the erection of drying facilities. Indications are that about 1,700 acres will be planted to burley this year, compared with only 630 acres in 1962, from which a crop of 1.2 million pounds was harvested. Burley is being grown for export.

The forecast acreage for flue-cured in 1963 is 86 acres. Last year, about 40 acres produced about 45,000 pounds.

## Australia Sets U.K. Meat Export Standards

The Australian Government has established minimum standards for exports of meat to the United Kingdom. These regulations define standard cuts and trim for carcass cuts and variety meats and the fat content of boneless beef.

The Veterinary Branch of the Department of Primary Industries has developed the standards to be used and will be responsible for their implementation. The new requirements are based upon recommendations made by the Australian Meat Board from a recent survey conducted in the United Kingdom. It is expected that Australian exporters will have little difficulty adjusting their operations to the new requirements.

During 1962 Australia shipped 203 million pounds of meat (product weight) to the United Kingdom, or 24 percent of its total exports. Exports of beef and veal to the United Kingdom totaled 74 million pounds; lamb, 39 million; mutton, 20 million; canned meats, 34 million; and variety meats, 36 million.

## Canadian Hog Slaughter Increasing

Canadian hog slaughter for the 3rd and 4th quarter of 1963, and for the 1st quarter of 1964, is expected to increase from a year earlier. However, fewer hogs will be slaughtered in the first half of 1963.

Inspected hog slaughter in Canada during 1963 is forecast at about 6.6 million head. Slaughter in the first quarter was 12 percent less than a year earlier and the forecast for the second quarter is down 3 percent. Slaughter in July-September, however, is expected to be up 8 percent from a year earlier and October-December slaughter may be up 12 percent. The kill from October 1963

to March 1964 is expected to total about 3.6 million head, 10 percent above a year earlier.

Canada's hog population on farms March 1, 1963, totaled 4,756,000, about 2 percent above a year earlier. On March 1 there were nearly 6 percent more pigs under 6 months of age but 7 percent fewer pigs over 6 months than a year earlier.

Sows farrowing during March-May 1963 are forecast at 324,000, up 13 percent from a year ago.

## Australian Meat Shipments to U.S.

Four ships left Australia the last week in March and the first week in April with 16,847,040 pounds of beef, 2,688,000 pounds of mutton, 132,160 pounds of lamb, and 51,520 pounds of variety meats for the United States.

| Ship and sailing date | Destination [1] | Arrival date | Cargo | Quantity |
|---|---|---|---|---|
| | *Eastern and Gulf ports* | | | *Pounds* |
| Caroline Horn..... Mar. 26 | Houston | Apr. 30 | Beef | 674,240 |
| | | | Mutton | 73,920 |
| | New Orleans | May 4 | Beef | 1,158,080 |
| | | | Mutton | 228,480 |
| Rockhampton Star..... April 4 | Tampa | Apr. 27 | Beef | 837,760 |
| | | | Mutton | 268,800 |
| | | | Var. meats | 4,480 |
| | Jacksonville | Apr. 30 | Beef | 230,720 |
| | | | Mutton | 141,120 |
| | Savannah | May 1 | Beef | 176,960 |
| | | | Mutton | 190,400 |
| | Charleston | May 2 | Beef | 257,600 |
| | | | Mutton | 33,600 |
| | | | Var. meats | 13,440 |
| | Norfolk | May 4 | Beef | 313,600 |
| | | | Mutton | 89,600 |
| | Philadelphia | May 5 | Beef | 1,341,760 |
| | | | Mutton | 331,520 |
| | New York | May 9 | Beef | 7,315,840 |
| | | | Mutton | 179,200 |
| | | | Lamb | 129,920 |
| | | | Var. meats | 8,960 |
| | Boston | May 13 | Beef | 562,240 |
| | | | Mutton | 112,000 |
| | | | Var. meats | 24,640 |
| | *Western ports* | | | |
| Goonawarra..... Mar. 27 | Los Angeles | Apr. 12 | Beef | 1,653,120 |
| | | | Mutton | 745,920 |
| | | | Lamb | 2,240 |
| | San Francisco | Apr. 19 | Beef | 891,520 |
| | | | Mutton | 188,160 |
| | Seattle | Apr. 27 | Beef | 555,520 |
| | | | Mutton | 71,680 |
| Budreen Bakke..... Mar. 29 | Seattle | May 14 | Beef | 24,640 |
| | Portland | May 17 | Beef | 123,200 |
| | Los Angeles | May 25 | Beef | 369,600 |
| | San Francisco | May 29 | Beef | 360,640 |
| | | | Mutton | 33,600 |

[1]Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

## Volcano Hurts Costa Rican Livestock

After many years of inactivity, the Irazu volcano, 20 miles east of San Jose, began erupting on March 11, and as of April 17, is still active. Damage to forage crops, pastureland, and cattle has been extensive.

Over 50,000 acres in the San Jose, Heredio, and Alazuelo areas have noticeable accumulations of ash, and on 30,000 of them, the vegetation has been killed or badly stunted. Another 50,000 acres in the vicinity of Turrialba were also damaged.

During the first 2 or 3 days after the volcano erupted, an estimated 5,000 head of cattle were removed from damaged pastureland to areas where forage is available. However, 200 head have already died as a result of the eruption and more are expected. Protective measures against further deaths have been taken. Eight thousand cattle were vaccinated against hemorrhagic septicemia and hundreds were treated for fever, shock, and malnutrition.

A partial shipment of emergency veterinary supplies arrived from the United States on April 4 and was put to use by the veterinary staff. Emergency requests are in for feed corn and vaccines.

The Director of Veterinary Service of the Ministry of Agriculture and Livestock has recommended slaughter of many cattle in herds near the volcano.

## Canadian Pork Imports Rise

In the first 2 months of 1963, Canadians imported nearly 17 million pounds of pork, most of which came from the United States. In the same period in 1962 they imported about 3 million. Thus far in 1963, pork imports are higher than at any time since the ban on U.S. pork was lifted in February 1960.

Canadian pork prices have been considerably higher than U.S. prices and domestic supplies have been short. This situation has attracted the unusually large imports. In December, carcass pork brought $5.60 more in Toronto than in Chicago. Since then, the prices have dropped at both markets, but more so at Chicago. The spread in price in February averaged $7.17, more than enough to offset transportation costs, import duties, and the premium paid for U.S. dollars.

Despite larger imports, partly offsetting decreased domestic supplies, pork consumption has been reduced because of larger supplies of beef; cattle slaughter in Canada in early 1963 having risen 6 percent above early 1962.

Domestic hog marketings picked up in March and are forecast to remain above January and February levels.

## Grain Board Shows Profit for Corn Trading

The Grain Board of Rhodesia and Nyasaland in one year's corn trading not only wiped out a deficit of $2.8 million, but will probably have a surplus of $600,000 at the end of 1962-63. The Board began its current year with a deficit chiefly because of overpayments to producers in 1961-62. Also, in recent years a large subsidy was required to move corn into world markets.

Several factors were responsible for this dramatic change. First, producers agreed to a price of $1.02 per bushel compared to $1.24 in 1961-62. Second, the government continued to pay an annual subsidy of $2.8 million to the Grain Board. Since the small corn crop resulted in decreased exports, the loss incurred by the Board was reduced. Higher domestic prices as well as good prices in neighboring countries increased the Board's profit. Half of Rhodesia's corn exports were sent to neighboring countries this year. Lastly, stocks of corn earmarked for export were virtually cleared by the end of November, reducing storage and handling costs.

## Belgian Flax Production Increasing

The 463.5 million pounds of dried flax straw for fiber produced in Belgium in 1962 was 18 percent more than the 393 million pounds in 1961. The larger crop was obtained because of an acreage increase, and in spite of a lower average yield.

The average yield of flax straw in 1962 dropped 4 percent from 1961 and 2 percent from 1960. However, the average of 5,740 pounds-per-acre from the 1962 crop compares well with the 1959 average of 4,800 pounds.

Acreage cultivated for Belgian fiber flax in 1962 is estimated at 80,800 acres, an increase of 22.7 percent over the 65,800 acres in 1961, and 10.1 percent over the 73,300 acres in 1960. A still larger acreage is expected for the 1953 harvest, as a result of further granting of acreage subsidy to growers. Also, additional land may be available for flax this spring in replacement for crops that were winter-killed.

FIBER FLAX: BELGIAN AREA, YIELD, AND PRODUCTION, 1959 THROUGH 1962

| Year | Area under cultivation | Dried straw for fiber | |
|---|---|---|---|
| | | Average yield | Production |
| | *Acres* | *Lbs. per acre* | *1,000 pounds* |
| 1959 | 51,720 | 4,800 | 248,694 |
| 1960 | 73,330 | 5,870 | 430,428 |
| 1961 | 65,840 | 5,970 | 392,981 |
| 1962 | 80,790 | 5,740 | 463,484 |

Compiled from data of National Statistical Institute, Belgium.

## Brazil's Cocoa Bean Exports Down in 1962

Exports of cocoa beans from Brazil, the world's third largest producer, during 1962 amounted to only 55,343 metric tons, compared with 1961 exports of 104,170 tons. Shipments to the United States dropped to 14,715 tons from 46,046 in 1961 while exports to the Soviet Union jumped to 11,348 tons from 712. Exports to the EEC (Common Market) totaled 11,788 tons, about half of the amount shipped in 1961.

Cocoa cake exports were lower also, 5,834 tons against 13,972 the previous year. Cocoa butter exports were up slightly to 16,785 tons from 14,990 in 1961. The reduction in exports is attributed in part to the smaller harvests of the past 2 seasons.

## New Zealand Plans Sugar Beet Production

Plans for a sugar beet industry embracing an $8.4 million factory to supply more than a quarter of New Zealand's sugar requirements are being investigated for Taranaki on North Island.

Sugar consumption in New Zealand approximates about 126,000 short tons annually, all of which must be imported. Australia, Fiji, and the Dominican Republic are principal suppliers.

Another sugar beet processing factory has been proposed for South Island at an estimated cost of $7.7 million.

## U.S. Cotton Linters Exports Increase

U.S. exports of cotton linters, mostly chemical qualities, totaled 180,000 running bales during the first 7 months (August-February) of the 1962-63 season. This was 18 percent above the 152,000 bales shipped in the corresponding months last season.

Exports to principal destinations from August 1962 through February 1963, with comparable 1961-62 figures in parentheses, were: West Germany 87,000 bales (77,000); Japan 53,000 (30,000); United Kingdom 14,000 (25,000); Canada 12,000 (10,000); Netherlands 6,000 (1,000); East Germany 3,000 (0); and France 2,000 (6,000).

Exports in February amounted to 51,000 bales, compared with 23,000 in the preceding month and 18,000 in February 1962.

## Dehydrated Potato Demand in Sweden, Norway

Sweden imported about 1,500 metric tons of dehydrated potatoes in 1962, two-thirds of which originated in the United States. The total amount imported was roughly double the estimated domestic production.

Demand for this product is expected to increase tenfold during the next 10 years. A cereal processor plans to have a new plant in operation by 1964. The objective of the Swedish farm organization is to obtain the largest possible share of the market by restricting imports, which is accomplished by variable import taxes. The present import tax is 93.15 Kroner per 100 kg. (8 cents U.S. per lb) for products made directly from potatoes, and other kinds 124 Kroner per 100 kg. (10.9 cents U.S. per lb.). This tax is reviewed and changed depending on supplies of potatoes and market prices.

Imports into Norway were 123 metric tons in calendar year 1962 and 109 tons originated in the United States. Norwegian imports of dehydrated potatoes are subject to licensing but they have been granted freely.

## Uruguay To Buy Seed Potatoes

The Government of Uruguay is planning to buy 10,000 to 12,000 metric tons of northern-grown seed potatoes, and will open bids in August or September. Interested exporters should contact the Dirección General de Abastecimientos Agropecuarios not later than early July of this year.

## Very Small Greek Table Olive Pack

The 1962 Greek table olive pack is estimated at 13,000 short tons—the smallest production in postwar years. However, the 1961 pack was a record 91,500 tons, and after such a heavy yield it was normal that this season's production would be small. To a minor degree the small crop was due to unfavorable weather that prevailed during harvesting. Average 1955-59 production was 44,800 short tons.

Production of green olives this marketing year—included in the overall pack estimate—is estimated at 880 tons, of which about 550 tons are "cracked" olives packed in brine for domestic use.

Prolonged and severe low temperatures which followed harvest caused severe damage to olive trees this winter in the principal edible-olive-growing districts of Central Greece and Euboea, including the areas of Agrinion, Itea-

Amphissa, and Stylis, and the Thessaly, mainly the Pelion (Volos) area. The extent of these damages is not fully known but will definitely have an adverse effect on the coming 1963 crop.

Indicative mid-March export FOB prices per short ton for olives packed in 50-kilogram wooden barrels are believed to be close to the following levels:

| Size | Green olives *U. S. Dollars* | Black olives *U. S. Dollars* |
|---|---|---|
| 140-160 | 444.52 | 453.60 |
| 180-200 | 426.38 | 435.45 |
| 240-260 | 408.24 | 417.31 |

Because of the heavy carryover of 1961-crop olives, supplies this season are fairly substantial and the export volume may be near-average. Greek trade circles are of the opinion that table olive exports in the 1962-63 season will approximate 17,500 tons.

Total edible olive exports during the 1961-62 marketing year (November through October) amounted to 19,200 short tons, compared with 12,000 tons in 1960-61 and 20,900 tons in 1959-60. Over 45 percent of the 1961-62 exports went to Soviet Bloc countries, actually at about the same levels as in the 2 preceding years. In 1961-62, Rumania was the leading buyer with 4,075 tons, followed by Bulgaria with 3,850 tons. The United States was the leading market among the Free World countries with 2,760 tons; Italy followed with 2,520 tons.

GREEK TABLE OLIVES: 1960-62 MARKETING SEASONS

| Item | 1960 | 1961 | 1962 |
|---|---|---|---|
| | *Short tons* | *Short tons* | *Short tons* |
| Beginning stocks, Nov. 1 | 11,500 | —— | 33,000 |
| Production | 23,500 | 91,500 | 13,000 |
| Total supply | 35,000 | 91,500 | 46,000 |
| Exports | 12,000 | 19,200 | 17,500 |
| Domestic disappearance | 23,000 | [1] 39,300 | 24,500 |
| Ending stocks, Oct. 31 | —— | 33,000 | 4,000 |
| Total distribution | 35,000 | 91,500 | 46,000 |

[1] Estimated 15,500 tons pressed for oil.

## U.S. Exports of Soybeans, Edible Oils, Meals

U.S. exports of soybeans and cakes and meals in February recovered sharply from January when a dock strike greatly restricted shipments. Edible oil exports gained moderately, owing to increased shipments of cottonseed oil.

February exports of *soybeans* at 19.3 million bushels increased greatly from the 3.7 million bushels shipped in the previous month. Despite the recent dock strike, cumulative exports during October-February, the first 5 months of the current marketing year, were up 11 percent from the comparable period last year. Major destinations for U.S. soybeans in February, and their respective percentages of the total, were: Japan 34; West Germany 14; the Netherlands 11; Denmark, the United Kingdom, and Italy, 8 each; Taiwan 7; and Belgium 5.

U.S. shipments of *edible oil* (soybean and cottonseed), totaling 77.7 million pounds in February, gained by one-sixth from the previous month. About one-fourth of the total were foreign donations. However, cumulative shipments during October-February were down by one-sixth from the corresponding period in 1961-62.

February exports of *soybean oil* at 49.2 million pounds, including foreign donations, remained about the same as January's. Foreign donations, however, accounted for a greater part of February's total. Major destinations and percentages of the total, exclusive of foreign donations, were: Greece 46, Algeria 13, Morocco 12, Hong Kong 8, Canada 6, and Iran 5. Cumulative shipments were 1 percent above those of the comparable period in 1961-62.

*Cottonseed oil* exports made sharp gains in February. At 28.5 million pounds, exports were up nearly two-thirds from those in January. However, exports during the October-February period were down by more than two-fifths from those of the comparable period of 1961-62.

*Cake and meal* exports from the United States in February at 185,800 short tons, more than quadrupled from the shipments restricted by the strike in January. Cumulative shipments October through February were two-fifths above the corresponding period last year.

*Soybean meal* accounted for nearly 90 percent of the total U.S. exports of cakes and meals in February. Major destinations and percentages in February were: France and West Germany 16 each, Denmark and the Netherlands 14 each, Spain 11, Canada 10, and Belgium and Italy 6 each.

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS

| Item and unit | | February | | Oct-Feb | |
|---|---|---|---|---|---|
| | | 1962 [1] | 1963 [1] | 1961-62 [1] | 1962-63 [1] |
| Soybeans | Mil. bu. | 10.3 | 19.3 | 82.0 | 91.1 |
| Oil equiv. | Mil. lb. | 113.2 | 211.5 | 900.2 | 1,000.1 |
| Meal equiv. | 1,000 tons | 242.3 | 452.7 | 1,926.7 | 2,140.5 |
| Edible oils | | | | | |
| Soybean: | | | | | |
| Commercial [2] | Mil. lb. | 66.2 | 38.5 | 238.2 | 310.5 |
| Foreign donations [3] | do | 12.7 | 10.7 | 101.4 | 33.8 |
| Cottonseed: | | | | | |
| Commercial [2] | do | 29.2 | 20.2 | 195.5 | 120.5 |
| Foreign donations [3] | do | 5.8 | 8.3 | 46.9 | 18.7 |
| Total oils | do | 113.9 | 77.7 | 582.0 | 483.5 |
| Cakes and meals | | | | | |
| Soybean | 1,000 tons | 109.8 | 163.5 | 463.7 | 578.4 |
| Cottonseed | do | (4) | 17.7 | 2.5 | 55.4 |
| Linseed | do | (4) | 1.1 | 11.6 | 33.8 |
| Total cakes and meals [5] | do | 109.9 | 185.8 | 478.1 | 675.7 |

[1] Preliminary. [2] Compiled from records of the Bureau of Census; includes Titles I and II, P.L. 480. [3] Title III, P.L. 480. [4] Less than 50 tons. [5] Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from records of the Bureau of Census and USDA.

## Antarctic Whale Oil Output Down

The production of whale (baleen) oil in the 1962-63 Antarctic pelagic whaling season is provisionally estimated at 243,726 short tons—28 percent, or 93,063 tons, lower than the 336,789 tons produced in 1961-62.

The individual country results, with the previous season's results in parenthesis, were as follows: Norway, 34,357 tons (93,712); United Kingdom, 12,604 tons (27,577); Japan, 124,865 tons (129,615); USSR, 61,700 tons (72,248) and the Netherlands, 10,200 tons (13,636). The 1962-63 figures for the USSR and the Nether-

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lands are estimated on the basis of total catch in blue whale units and on the assumption that yields per blue whale unit remained unchanged from last season.

The land stations in South Georgia were closed this season. Only one land station, Grytviken and Husvik harbor, operated by the United Kingdom as one station, was in operation during the 1961-62 season and produced 8,500 tons of whale (baleen) oil.

## February Suez Canal Shipments Down

The volume of oil-bearing material shipments northbound through the Suez Canal in February was 22 percent below that of January (*Foreign Agriculture,* April 1, 1963) but 13 percent greater than in February 1962.

Total shipments of all oil-bearing materials through the Suez Canal through February 1963 of the U.S. marketing year (beginning October 1, 1962) were 8 percent greater than shipments during the comparable period a year ago. Of continued significance were the increases registered in shipments of cottonseed, largely from the Sudan, of castorbeans, largely from Thailand, and of peanuts, believed largely to originate from India.

SUEZ CANAL: OIL-BEARING MATERIALS, NORTHBOUND

| Item | February | | October-February | |
|---|---|---|---|---|
| | 1962 | 1963 | 1961-62 | 1962-63 |
| | *Metric tons* | *Metric tons* | *Metric tons* | *Metric tons* |
| Soybeans [1] | 14,914 | 12,262 | 119,034 | 29,532 |
| Copra | 37,197 | 52,227 | 274,946 | 306,358 |
| Peanuts | 18,739 | 29,098 | 85,466 | 132,093 |
| Cottonseed | 8,170 | 9,566 | 43,636 | 104,791 |
| Flaxseed [2] | 3,677 | 2,706 | 17,585 | 12,058 |
| Castor beans | 2,962 | 3,813 | 15,313 | 26,237 |
| Palm kernels | 1,153 | 2,626 | 16,920 | 10,205 |
| Others | 23,547 | 11,967 | 56,847 | 60,343 |
| Total | 110,359 | 124,265 | 629,747 | 681,617 |

[1] 1 metric ton of soybeans equals 36.743333 bushels.
[2] 1 metric ton of flaxseed equals 39.367857 bushels.
Suez Canal Authority, Cairo, Egypt.

The sharp decline in the volume of soybean shipments during the first 5 months of the marketing year continued to reflect relatively small export availabilities from Mainland China and the probable diversion of those availabilities to the Japanese market (*Foreign Agriculture,* February 11, 1963).

SUEZ CANAL: SOYBEANS, NORTHBOUND

| Month and quarter | Year beginning October 1 | | | | |
|---|---|---|---|---|---|
| | 1958 | 1959 | 1960 | 1961 | 1962 |
| | *1,000 bu.* | *1,000 bu.* | *1,000 bu.* | *1,000 bu.* | *1,000 bu.* |
| January | 2,572 | 4,483 | 3,711 | 2,907 | 622 |
| February | 4,446 | 4,850 | 1,396 | 548 | 451 |
| March | 3,417 | 4,666 | 955 | 627 | — |
| October-December | 4,189 | 8,598 | 919 | 919 | 12 |
| January-March | 10,435 | 13,999 | 6,062 | 4,082 | — |
| April-June | 9,700 | 8,635 | 1,213 | 239 | — |
| July-September | 5,879 | 2,756 | 2,756 | 328 | — |
| October-September | 30,203 | 33,988 | 10,950 | 5,568 | — |

Totals computed from unrounded numbers.
Suez Canal Authority, Cairo, Egypt.

## Philippines Ships More Copra, Coconut Oil

Recorded copra and coconut oil shipments in January-March 1963, as compiled from monthly data on registered shipments, have been revised to 205,927 and 44,610 tons, respectively (*Foreign Agriculture,* April 22, 1963).

Shipments during the comparable 3-month period in 1962 amounted to 149,424 tons for copra and 22,941 tons for coconut oil.

## Honduras To Construct Processing Plant

Plans are underway in Honduras for the construction of a modern extraction plant for the processing of cottonseed. Cotton planters who make up the Cooperativa Algodonera del Sur will be financing the $250,000 needed for the plant with their own funds and, probably, with an advance from the Banco Nacional de Fomento against the value of the first year's supply of cottonseed.

The new processing plant, which is expected to be in production in about a year, should average 20,000 metric tons of seed annually, producing unrefined oil at a yield of 16 percent. In addition it should provide protein meal for animal feed and linters for batting.